

# **FISCAL NOTE**

## **SB 2906 - HB 2881**

February 15, 2002

**SUMMARY OF BILL:** Provides that every child in Tennessee under the age of 24 whose parent is a retired teacher from any public school in Tennessee who retired after a minimum of 25 years of full-time creditable service, shall receive a 25% discount on tuition to any state-operated institution of higher learning.

### **ESTIMATED FISCAL IMPACT:**

#### **Increase State Expenditures - \$235,000**

Estimate assumes:

- Lost revenues to higher education institutions will be replaced with state funds.
- Approximately 845 full-time equivalent (FTE) student/dependents of retired teachers will take courses.
- Approximately \$278 represents the 25% tuition discount for each FTE student/dependent (845 x \$278 = \$234,910)
- The number of FTE students/dependents of retired teachers who will take courses will be 6 1/2% of the number of FTE students/dependents of active teachers currently participating in the program.

*Note:* For FY 2000-01, tuition discount programs were funded at less than one-half the actual total cost of the programs.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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